THE MINISTER OF STATE IN THE MINISTERY OF FOOD AND CIVIL SUPPLIES (SHRI RAM PUJAN PATEL) : (a) The allocation of imported edible oil for PDS has been increased from 70,000 MTs in July, 1990 to 92,000 MTs in September, 1990. The increased allocation is likely to continue till the end of festival season to cope with the enhanced requirement of the festival season. Besides stock limits of edible oilseeds and edible oils to be held by various categories of traders have been reduced to avoid the chances of hoarding. Further the minimum margin on bank advances against oilseeds and vegetable oils has also further been raised. States have also been advised to gear up their enforcement machinery to discipline the trade. These steps taken by the Government are likely to increase the availability of edible oils.

(b) No, Sir.

(c) Does not arise.

Doubling of tracks from Nergundi to Barang Via Cuttack

3701. SHRI SARADA MOHANTY : Will the Minister of RAILWAYS be pleased to state :

(a) whether there is any proposal for Electrification of Railway line from Kharagpur to Vizianagaram *via* Khurda Road (708 Kms) under S.E. Railways;

(b) if so, whether the proposal has been included in 8th Plan outlay ;

(c) if not, whether Government would consider the proposal to be undertaken during 8th Plan period; and

(d) whether there is any proposal under Government's consideration for doubling the track from Nergundi to Barang *via* Cuttack and the same has been included in 8th Plan and if not, whether Government would consider the same for execution during the 8th Plan period ?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI AJAY SINGH) : (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Presently, there is no proposal for doubling of track from Nergundi to Barang.

Departure time of Puri Express

3702. SHRI SARADA MOHANTY : Will the Minister of RAILWAYS be pleased to state whether there would be any change of departure time of 2816 New Delhi Puri Express and 8476 Nelachal Express leaving New Delhi ?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI AJAY SINGH) : No, Sir.

Report of the Committee to go into the question of augmenting the resources of local bodies in the event of Abolition of Octroi

3703. SHRI ATAL BIHARI VAJPAYEE :

SHRI ASHWANI KUMAR :

Will the Minister of URBAN DEVELOPMENT be pleased to state :

(a) whether the report of the Committee constituted to go into the question of augmenting the resources of local bodies in the event of abolition of Octroi, has since been circulated to the State Governments for necessary action; what are the salient features of the report;

(b) what is the response of the State Governments ; and

(c) where does the question rest at present ?

THE MINISTER OF URBAN DEVELOPMENT (SHRI MURASOLI MARAN): (a) Yes Sir, a summary of the recommendations is given in Statement-I. (*See* below)

(b) Response so far received is given in the Statement-II. (*See* below)

(c) Since Octroi is a State subject the decision on the recommendations is to be taken by the respective State Governments.

Statement-I

The following are the recommendations of the Committee set up to examine the issue of abolition of Octroi :—

(a) The committee recommend partial abolition of octrol. Octroi might be retained in municipal corporations covering a population of three lakhs or more. It could be abolished in the smaller local bodies.

(b) The existing procedure for the collection of octroi might be rationalised and simplified to include a self assessment approach. Payment should be made in banks and financial transactions should be avoided at the check posts. Computerisation and other model techniques might be introduced between the banks and the check posts; the check posts and the municipal headquarters; and the municipal headquarters and the banks. The revised procedure will reduce the number of check-posts, wastage of the time of the transporters, and the corruption, harssament and malpractices at the check-posts;

(c) Octroi should be replaced with taxes the incidence of which will be on the transport sector, in the case of smaller municipalities; e.g. surcharge of sales tax, entry tax, terminal tax, road tax, tax on motor vehicles, etc. If the revenue realised on account of these taxes is inadequate; augmentation of taxes such as property tax, entertainment tax, professional tax, etc. might be considered. Even after the imposition of these taxes if the revenue is still inadequate only then special grants-in-aid should be considered. The Committee strongly recommends that grants-in-aid should not be considered in isolation without augmenting the tax base as this would take away the initiative and autonomy of the local bodies.

(d) The procedure for payment of grants to the municipalities should be revised in so far as it relates to the loss of octroi revenue. It should be paid as a direct advance to the municipalities by the Planning Commission at the time of plan allocation and should be recovered from the revenues due to the State Governments.

(e) The alternative sources of revenue to the local bodies in lieu of octroi should not only yield revenue equivalent to the amount lost as a result of its abolition but should be elastic enough to ensure future revenue for the local bodies. Due regard should be paid to the potential octroi revenue while deciding the quantum of compensation.

Statement-II

PUNJAB GOVERNMENT : They have intimated that they are considering replacement of Octroi with a surcharge on Sales Tax.

JAMMU & KASHMIR GOVERNMENT : They have intimated that they had abolished Octroi in 1987 and set up a State Finance Commission to suggest ways for augmenting the resources of Local Bodies and to devise formula for sharing the resources between the State Government and the Local Bodies. The Commission has submitted its report which is under examination.

HARYANA GOVERNMENT : The State Government is not in a position to abolish the Octroi at this stage.

PONDICHERRY GOVERNMENT : They have intimated that as no alternative source for raising the revenue to compensate the loss once the octroi is abolished has been sighted, it is too premature to think of abolition of octroi.

Development of cities in NCR by State Governments

3704. SHRI ATAL BIHARI VAJPAYEE :

SHRI ASHWANI KUMAR :

Will the Minister of URBAN DEVELOPMENT be pleased to state :

(a) whether any State Government has prepared plans for development of cities based on the guidelines approved by the National Capital Region Planning Board and submitted to the Central Government for consideration;